SECTION J

APPENDIX B

PEFORMANCE EVALUATION PLANS

B-1 PEFORMANCE EVALUATION PLAN FOR THE MANAGEMENT AND OPERATION (M&O) OF Y12/PX (Replaced by 0015; 0045-Added FY15 PEP; 0052-Added FY16 PEP)

B-2 PEFORMANCE EVALUATION PLAN FOR UPF PROJECT MANAGEMENT

B-1

PEFORMANCE EVALUATION PLAN FOR THE MANAGEMENT AND OPERATION (M&O) OF Y12/PX

CLIN 0001

Fiscal Year 2016

DOE/NNSA Strategic Performance Evaluation and Measurement Plan (PEMP)

Consolidated Nuclear Security, LLC

Management and Operation

of the

Pantex Plant and the Y-12 National Security Complex

Contract Number: DE-NA0001942

Performance Evaluation Period: October 01, 2015 through September 30, 2016

[redacted]

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DOCUMENT REVISION HISTORY

Revision	Date	Change Description

INTRODUCTION

The Pantex Plant (Plant) and Y-12 National Security Complex (Y-12) are plant sites owned by the United States Department of Energy (DOE), herein referenced as "Pantex/Y-12 plants" and is managed by Consolidated Nuclear Security, LLC (CNS). Pursuant to the terms and conditions of the Contract, this NNSA Performance Evaluation and Measurement Plan (PEMP) sets forth the criteria in which CNS performance will be evaluated and upon which the determination of the amount of award fee earned shall be based. The available award fee amounts for FY 2016 are specified in Section B, *Supplies or Services and Prices/Costs,* of the contract. This PEMP promotes a strategic Governance and Oversight framework based on prudent management of risk, accountability, transparency, and renewed trust. It has been written to implement the collective governance and oversight reform principles as expressed by the DOE/National Nuclear Security Administration (NNSA).

PERFORMANCE BASED APPROACH

The performance-based approach evaluates the CNS performance through a set of Goals. Each Goal, and its associated Objectives and Key Outcomes (KOs), will be measured against authorized work in terms of cost, schedule, and technical performance, and the respective outcomes, demonstrated performance, and impact to the DOE/NNSA mission.

MISSION

The Pantex Plant mission supports managing the nation's nuclear stockpile by performing disassembly, inspection and rebuild of weapon evaluations cycle units, assembly of Joint Test Assemblies (JTAs) and JTA post mortem analysis, assembly and disassembly of test bed units, Limited Life Component Exchange, programmatic alternations (usually defined as Alts or Mods), weapon repairs, weapon and component radiography and non-destructive evaluation, High Explosive (HE) testing and explosive component evaluation, pit and non-nuclear evaluations, electrical and mechanical test, and surveillance and evaluation testing in support of Quality Evaluation Reports.

The Y-12 National Security Complex supports national security programs through production of weapons components and parts; stockpile evaluation and maintenance; stockpile surveillance; dismantlement; and nuclear materials management, storage, and disposition. Its primary mission is the manufacturing of modern secondaries and processing and storage of highly enriched uranium.

Additionally, Pantex and Y-12 support several of the other NNSA identified missions, including nuclear non-proliferation, the Naval Reactors Program, emergency response, continuing management reform, and recapitalizing NNSA infrastructure.

MISSION PERFORMANCE

CNS is accountable for and will be evaluated on successfully executing program work in accordance with applicable DOE/NNSA safety and security requirements consistent with the terms and conditions of the Contract. Protection of worker and public safety, the environment, and security are essential and implicit elements of successful mission performance. Accordingly, CNS shall plan safety and security improvements and accomplishments as an integral component of mission performance contributing to meeting the affected programmatic Goals. The model for this PEMP is to rely on CNS leadership to use appropriate DOE contractual requirements and recognized industrial standards based on consideration of assurance systems, and the related measures, metrics, and evidence. **CNS is expected to manage in a safe, secure, efficient, effective, results-driven manner, with appropriate risk management and transparency to the government, while taking appropriate measures to minimize costs that do not compromise core objectives and mission performance.** Products and services are expected to be delivered on-schedule and within budget.

CONSIDERATION OF CONTEXT IN PERFORMANCE EVALUATION

The evaluation of performance will consider "context" such as unanticipated barriers (e.g., budget restrictions, rule changes, circumstances outside CNS control), degree of difficulty, significant accomplishments, and other events that may occur during the performance period. A significant safety or security event may result in an overall limitation to adjectival ratings. Such impacts may be balanced by the response to the incident, and by other initiatives to improve overall safety or security performance. CNS is encouraged to note significant safety and security continuous improvements.

PERFORMANCE RATING PROCESS

DOE/NNSA will review performance throughout the performance evaluation period, and provide tri-annual feedback to CNS highlighting successes and/or needed improvement. At the end of the performance evaluation period, an evaluation of CNS performance will be completed. This evaluation will be documented in a Performance Evaluation Report (PER), and will include the performance ratings and award fee earned for the subject performance evaluation period. Objectives and KOs will be assessed in the aggregate to determine an adjectival performance rating for each Goal. DOE/NNSA will consider CNS end of year self-assessment report in the performance evaluation. The performance ratings will be determined in accordance with FAR 16.401(e)(3) yielding ratings of Excellent, Very Good, Good, Satisfactory or Unsatisfactory. The Goals will then be considered in the aggregate to provide an overall rating and percentage of award fee earned for the contract. Notwithstanding the overall strategic framework, any significant failure may impact the overall rating and award fee earned. The Fee Determining Official's (FDO) award fee determination is a unilateral decision made solely at the discretion of NNSA.

PEMP CHANGE CONTROL

It is essential that a baseline of performance expectations be established at the beginning of the performance period to equitably measure performance, and that changes to that baseline are carefully managed. Any change to the PEMP requires concurrence by the appropriate program office and the NNSA Senior Procurement Executive prior to the Field Office Manager and Contracting Officer signatures. While recognizing the unilateral rights of DOE/NNSA as expressed in the contract terms and conditions, bilateral changes are the preferred method of change whenever possible.

FINAL DECISION

CNS may request a face-to-face meeting with the FDO to highlight their site's strategic performance at the end of the performance evaluation period. This meeting should occur within the first two weeks after the end of the period.

TOTAL AVAILABLE AWARD FEE ALLOCATION

Performance Category	Goal	% At-Risk Fee Allocation
Programs (NA-10)	**Goal-1:** Manage the Nuclear Weapons Mission	35%
Programs (NA-20, NA-40, NA-80)	**Goal-2**: Reduce Nuclear Security Threats	10%
Programs (FOM)	**Goal-3:** DOE and Strategic Partnership Projects Mission Objectives	5%
Programs (FOM)	**Goal-4:** Science, Technology, and Engineering (ST&E)	5%
Operations & Mission Execution (FOM)	**Goal-5:** Operations and Infrastructure	35%
Leadership (FOM)	**Goal-6:** Leadership	10%

UNEARNED FEE

DOE/NNSA reserves the right to withdraw and redistribute DOE/NNSA unearned fees.

AWARD TERM INCENTIVE

This Contract includes several options: three options (Option Terms 1-3) extend the term of this Contract and an option to include SRTO within the scope of this Contract.

(a) Option Exercise for Additional Term

Gateway Decision: The Gateway Decision is a unilateral decision of the FDO based on the Contractor's performance rating under this Contract in accordance with the Performance Evaluation Plan, and the Contractor's delivery of cost savings reflected in the cost savings profile in Section J, Appendix D, Merger Transformation Plan. The standard of performance is such that the score in the annual PER must be "very good" or above (or achieve 80% or better) under the Performance Evaluation Plan for the performance years evaluated under the Base Term and Option Terms, if exercised, evaluated below. The Contractor must also meet a minimum of 80% of the total projected cost savings within the cost savings profile in Section J, Appendix D, Merger Transformation Plan for the combined performance years evaluated for each gateway decision point, as reflected in the table below. If the FDO's decision is to award additional term, the Contract will be modified unilaterally by the Contracting Officer to extend the term of the Contract, after considering NNSA requirements, in accordance with the Contract's Section I Clause entitled "FAR 52.217-9, Option to Extend the Term of the Contract".

Option Term 1: Commencing in the fourth year of the Contract, the Contract's period of performance may be extended for two additional years based on the standard of performance (score) and cost savings noted above.

Option Term 2: Commencing in the sixth year of the Contract, the Contract's period of performance may be extended for two additional years based on the standard of performance (score) and cost savings noted above.

Option Term 3: Commencing in the eighth year of the Contract, the Contract's period of performance may be extended for one additional year based on the standard of performance (score) and cost savings noted above.

The table below reflects Option Terms 1, 2, & 3.

	Gateway Decision Point	Performance Years* Evaluated	Option Years* Available
Option Term 1	Beginning of Year 4*	1-3	6-7
Option Term 2	Beginning of Year 6*	4-5	8-9
Option Term 3	Beginning of Year 8*	6-7	10

*Years are counted from the beginning of the Base Term.

(b) Option Exercise to add SRTO

This option allows for adding the SRTO scope of work to the Contract. If the NNSA determines it is in the best interest of the Government to exercise this option, the Contract will be modified unilaterally by the Contracting Officer to add the SRTO effort. Immediately upon option exercise, the Contractor will be required to provide a Transition Plan including the same elements as noted in Section F, F-7(a) and (b). The Contractor shall also update applicable Contract requirements, as directed by the Contracting Officer, including, but not limited to, the Performance Guarantee(s) and Subcontracting Plan, at the time of option exercise. NNSA may exercise the SRTO option at the end of the first year; however the determination will be based on NNSA mission requirements and other factors.

INNOVATIVE SOLUTIONS

CNS will recommend innovative, science-based, systems-engineering solutions to the most challenging problems that face the nation and the globe. CNS will also provide evidence to support programmatic needs and operational goals tempered by risk. DOE/NNSA will take into consideration all major functions including safety and security contributing to mission success. In addition, CNS is expected to recommend and implement innovative business and management improvement solutions that enhance efficiencies.

Goal-1: Manage the Nuclear Weapons Mission

Successfully execute Nuclear Weapons mission work in a safe and secure manner in accordance with DOE/NNSA Priorities, Program Control Document and Deliverables, and Program Implementation Plans, and Weapon Quality Assurance Requirements. Integrate across the Pantex/Y-12 plants, while maintaining a DOE/NNSA enterprise-wide focus, to achieve greater impact on a focused set of strategic national security priorities.

Objectives:

- Objective-1.1 Accomplish work as negotiated with program sponsors and partners integrating quality requirements into an effective quality assurance program at their sites and through their suppliers that results in the design, production, and delivery of safe, secure, and reliable weapon products meeting performance, transportation, and cost effective operations.
- Objective-1.2 Maintain knowledge of the state of the stockpile, resulting from successful execution of the stockpile surveillance program and a robust scientific and engineering understanding for the delivery of the annual stockpile assessment.
- Objective-1.3 Execute stockpile work to deliver stockpile system maintenance, production, limited-life component exchanges, weapon containers and dismantlements.
- Objective-1.4 Demonstrate the application of new strategies, technologies, and scientific understanding to support stewardship of the existing stockpile and future stockpile needs.
- Objective-1.5 Sustain unique science and engineering capabilities, facilities and essential skills to ensure current and future Nuclear Weapons mission requirements will be met.
- Objective 1.6 Execute Phase 6.X and product realization processes and activities in support of nuclear weapon life extension programs, modification and alterations in accordance with NNSA requirements and Nuclear Weapons Council guidance.

Key Outcome(s):

- KO 1.1 Complete the development of an effective and robust container/Packaging & Transportation program initiated in FY2015 and ensure that mission needs are met at least cost in FY2016. Finalize the demonstration to NNSA that CNS has corrected the DPP-2 packaging structural modeling and analyses deficiencies in FY2016 to support packaging development as a design agency for the DPP-2.
- KO 1.2 Effectively execute B61-12 LEP, W88 Alt 370 and W80-4 LEP Phase 6.X programs in accordance with program-specific and NNSA Project Controls System directives, including Earned Value Management System implementation, in order to: 1) meet schedule, 2) comply with Phase 6.x Process and Product Realization Processes; 3) lower risks; 4) control change; and 5) control costs.
- KO 1.3 Continue to implement the Enriched Uranium Mission Strategy and Requirements, as outlined in the Implementation Plan for the Highly Enriched Uranium Mission Strategy and funded through the appropriate work authorizations to optimize scope and performance, further needed technologies and integrate with the UPF project, all to ensure long-term stewardship of the Y-12 site. Execute the required actions to achieve the purified metal production objectives, while continuing to successfully implement the Material Recycle and Recovery scope as defined in the work authorization documents.

Goal-2: Reduce Nuclear Security Threats

Successfully execute authorized global nuclear security mission work in a safe and secure manner to include the Defense Nuclear Nonproliferation, Nuclear Counterterrorism, and Counter Proliferation and Incident Response missions. Integrate across the NNSA enterprise to achieve greater impact on a focused set of strategic national security priorities.

Objectives:

- Objective-2.1 Support efforts to secure, account for, and interdict the illicit movement of nuclear weapons, weapons-useable nuclear materials and radiological materials.
- Objective-2.2 Support U.S. national and nuclear security objectives in reducing global nuclear security threats through the innovation of unilateral and multi-lateral technical capabilities to detect, identify, and characterize: 1) foreign nuclear weapons programs, 2) illicit diversion of special nuclear materials, and 3) global nuclear detonations.
- Objective-2.3 Support efforts to achieve permanent threat reduction by managing and minimizing excess weapons-useable nuclear materials and providing nuclear materials for peaceful uses.
- Objective-2.4 Support efforts to prevent proliferation, ensure peaceful nuclear uses, and enable verifiable nuclear reductions in order to strengthen the nonproliferation and arms control regimes.
- Objective-2.5 Sustain and improve nuclear counterterrorism and counterproliferation science, technology, and expertise; execute unique emergency response missions, implement policy in support of incident response and nuclear forensics missions, and assist international partners/ organizations.

Key Outcome(s):

- KO 2.1 Successfully produce experimental products for the U. S. High Performance Research Reactor program (USHPRR) supporting reactor conversions.
- KO 2.2 Support the timely and complete removal of all HEU fuel from Japan's Fast Critical Assembly.

Goal-3: DOE and Strategic Partnership Projects Mission Objectives

Successfully execute high-impact work for DOE and Strategic Partnership Project Mission Objectives safely and securely. Demonstrate the value of the work in addressing the strategic national security needs of the U.S. Government.

Objectives:

- Objective-3.1 Pursue and perform high-impact work for DOE that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills.
- Objective-3.2 Pursue and perform high-impact Strategic Partnership Projects that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills in support of national security mission requirements.

Key Outcome(s):
None

Goal-4: Science, Technology, and Engineering (ST&E)

Successfully advance national security missions and advance the frontiers of ST&E in accordance with budget profile, scope, cost, schedule and risk while achieving the expected level of quality, safety and security. Effectively manage Pantex/Y-12 plants Directed Research and Development (PDRD) and Technology Transfer programs to advance the frontiers of ST&E

Objectives:

- Objective-4.1 Execute a research strategy that is clear and aligns discretionary investments (e.g., (PDRD*))* with Pantex/Y-12 plants strategy and supports DOE/NNSA priorities.
- Objective-4.2 Ensure that research is relevant, enables the national security missions, and benefits DOE/NNSA and the nation.
- Objective-4.3 Ensure that research is transformative, innovative, leading edge, high quality, and advances the frontiers of science and engineering.
- Objective-4.4 Maintain a healthy and vibrant research environment that enhances technical workforce competencies and research capabilities.
- Objective-4.5 Research and develop high-impact technologies through effective partnerships and technology transfer mechanisms that support the Pantex/Y-12 plants strategy, DOE/NNSA priorities and impact the public good; ensure that reporting and publishing (via DOE's Public Access Plan) requirements for broad availability of federally funded scientific research are implemented.

Key Outcome(s):
None

Goal-5: Operations and Infrastructure

Effectively and efficiently manage the safe and secure operations of the Pantex/Y-12 plants while maintaining an NNSA enterprise-wide focus; demonstrate accountability for mission performance and management controls; assure mission commitments are met with high-quality products and services; and maintain excellence as a 21st century government-owned, contractor-operated facility.

Objectives:

- Objective-5.1 Deliver effective, efficient, and responsive environment, safety, health and quality (ESH&Q) management and processes.
- Objective-5.2 Accomplish capital projects in accordance with scope, cost, and schedule baselines.
- Objective-5.3 Deliver effective, efficient, and responsive safeguards and security. Deliver effective site emergency management programs in support of the DOE/NNSA Emergency Management Enterprise.
- Objective-5.4 Maintain, operate and modernize DOE/NNSA facilities, infrastructure, and equipment in an effective, energy efficient manner; including disposition of unneeded infrastructure and excess hazardous materials. Demonstrate progress to advance the Department of Energy's crosscut initiative to halt the growth of deferred maintenance and support arresting the declining state of infrastructure.
- Objective-5.5 Deliver efficient, effective, and responsible business operations, systems and financial management, including financial transparency; budget formulation and execution; and, internal controls.
- Objective-5.6 Deliver efficient and effective management of legal risk and incorporation of best legal practices.
- Objective-5.7 Deliver effective, efficient, and responsive information technology systems and cyber security.

Key Outcome(s):

- KO 5.1 Aggressively and responsibly manage NNSA infrastructure to: 1) deliver cost efficient improvements; 2) meet energy conservation goals; 3) minimize operational, security, and safety risks; 4) increase the viable use of facilities; and, equipment; and, 5) shrink the infrastructure footprint in the best interest of the NNSA while working collaboratively with NNSA to implement management improvements (e.g., G2, MDI, BUILDER, and AMPs).
- KO 5.2 Implement Nuclear Safety and Engineering programs that promote the safe execution of nuclear safety and nuclear explosive safety work, and that build and maintain a sound engineering and technical base. This includes effectively supporting installation of equipment that eliminates critical single point failure of safety Structures, Systems, and Components; new facility construction, including major modifications; effectively executing the Uranium Processing Facility Design Authority responsibilities; and, the ongoing NS&E improvement plans and initiatives, e.g., DSAIP, NCSIP, PISAIP, etc.
- KO 5.3 Deliver effective, efficient, and responsive emergency preparedness and services with specific emphasis on strengthening the Pantex Emergency Management Program. Support milestones for the improvement of emergency preparedness and response core capabilities and demonstrate site-specific actions to increase overall readiness and performance. (NA-40)

KO 5.4 Implement a Quality Assurance Program that effectively implements contractual quality-related requirements, including the graded approach to quality, into Facility, Weapons, Construction and Software activities, ensuring procurement quality activities demonstrate measurable improvements in nuclear safety item/weapons product acceptance. Weapons Quality Assurance activities will be effectively executed to include processes to identify and correct weapon product and process defects to ensure continued weapon product acceptance delegation capability.

KO 5.5 Implement a cradle to grave Material Management Program, in concert with the Supply Chain Management System. The program shall ensure the inventory of material is sufficient to meet operational needs, minimizes purchasing surplus material, stores material in a manner that prevents degradation, and has a defined disposition path, and is dispositioned in a timely manner.

Goal-6: Leadership

Successfully demonstrate leadership in supporting the direction of the overall DOE/NNSA mission, improving safety culture, the responsiveness of CNS leadership team to issues and opportunities for continuous improvement internally and across the Enterprise, and parent company involvement/commitment to the overall success of the Pantex/Y-12 plants and the Enterprise.

Objectives:

- Objective-6.1 Define and implement a realistic strategic vision for the Pantex/Y-12 plants, in alignment with the NNSA Strategic Vision, which demonstrates enterprise leadership and effective collaborations across the NNSA enterprise to ensure DOE/NNSA success.
- Objective-6.2 Demonstrate performance results through the institutional utilization of a Contractor Assurance System and promoting a culture of critical self-assessment, transparency, and accountability through the entire organization, while also leveraging parent company resources and expertise.
- Objective-6.3 Work selflessly within the DOE/NNSA complex to develop, integrate, and implement enterprise solutions that maximize program outputs at best value to the government; identify innovative business and management solutions that greatly improve enterprise-wide efficiencies.
- Objective-6.4 Exhibit professional excellence in performing roles/responsibilities while pursuing opportunities for continuous learning.

Key Outcome(s):

- KO 6.1 Demonstrate exceptional leadership in integrating NSE production activities; enhancing cooperation and problem solving with Design Agencies; and incorporating best practices and lessons learned from other NSE elements.
- KO 6.2 Continue to establish a Performance Excellence Culture that enhances all aspects of CNS operations. Performance Excellence must include both immediate and long term actions that result in tangible improvements in the conduct of disciplined operations. An effective Performance Excellence Culture includes a mature Contractor Assurance System that links Performance Excellence and Performance Assurance to provide a more effective evaluation of performance and assurance of sustained performance improvement.

Fiscal Year 2015
DOE/NNSA Strategic Performance Evaluation Plan (PEP)

FOR

Consolidated Nuclear Security, LLC

MANAGEMENT AND OPERATION OF THE
Pantex Plant and the Y-12 National Security Complex

Contract Number: DE-NA0001942

Performance Period: October 01, 2014 through September 30, 2015

[redacted] 30 Sep 2014
Ja Date
President and Chief Executive Officer
Consolidated Nuclear Security, LLC

[redacted] 9/30/2014
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Manager, NNSA Production Office
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National Nuclear Security Administration

FY 2015 PERFORMANCE EVALUATION PLAN

DOCUMENT REVISION HISTORY

Revision	Date	Change Description

INTRODUCTION

The Pantex Plant and Y-12 National Security Complex (NSC) are facilities owned by the United States Department of Energy (DOE), and are managed by Consolidated Nuclear Security, LLC (CNS). Pursuant to the terms and conditions of the Contract, this Performance Evaluation Plan (PEP) sets forth the criteria in which CNS performance will be evaluated and upon which the determination of the amount of award fee earned shall be based. The available award fee amounts for FY 2015 are specified in Section B of Contract No. DE-NA0001942. This PEP promotes a strategic Governance and Oversight framework based on prudent management of risk, accountability, transparency, and renewed trust. It has been written to implement the collective governance and oversight reform principles as expressed by the DOE/National Nuclear Security Administration (NNSA).

PERFORMANCE BASED APPROACH

The performance-based approach evaluates CNS performance at Pantex and Y-12 through a set of Performance Objectives (PO). Each PO, and its associated Contributing Factors (CF) and Site Specific Outcomes (SSO), will be measured against authorized work and the respective outcomes, demonstrated performance, and impact to the DOE/NNSA mission. CFs and SSOs will be assessed in the aggregate to establish an adjectival performance rating for each PO. Notwithstanding the overall strategic framework, failure to achieve an individual SSO, the most important DOE/NNSA fiscal year objectives may limit the award-fee.

MISSION

The Pantex Plant mission supports managing the nation's nuclear stockpile by performing disassembly, inspection and rebuild of weapon evaluation cycle units, assembly of Joint Test Assemblies (JTAs) and JTA post mortem analysis, assembly and disassembly of test bed units, Limited Life Component Exchange, programmatic alterations (usually defined as Alts or Mods), weapon repairs, weapon and component radiography and non-destructive evaluation, High Explosive (HE) testing and explosive component evaluation, pit and non-nuclear evaluations, electrical and mechanical tests, and surveillance and evaluation testing in support of Quality Evaluation Reports.

The Y-12 NSC supports national security programs through production of weapons components and parts; stockpile evaluation and maintenance; stockpile surveillance; dismantlement; and nuclear materials management, storage, and disposition. Its primary mission is the manufacturing of modern secondaries and processing and storage of highly enriched uranium.

Additionally, Pantex and Y-12 support several of the other NNSA missions identified, including nuclear non-proliferation, the Naval Reactors Program, emergency response, continuing management reform, and recapitalizing NNSA infrastructure.

MISSION PERFORMANCE

CNS is accountable for and will be evaluated on successfully executing program work in accordance with applicable DOE/NNSA safety and security requirements consistent with the terms and conditions of the Contract. Protection of worker and public safety, the environment, and

security are essential and implicit elements of successful mission performance. Accordingly, the model for this PEP is to rely on CNS leadership to use appropriate DOE contractual requirements and recognized industrial standards based on consideration of assurance systems, and the related measures, metrics, and evidence. **CNS is expected to manage in a safe, secure, efficient, effective, results-driven manner, with appropriate risk management and transparency to the government, while taking appropriate measures to minimize costs that do not compromise core objectives and mission performance.** Products and services are expected to be delivered on-schedule and within budget.

CONSIDERATION OF CONTEXT IN PERFORMANCE EVALUATION

The evaluation of performance will consider "context" such as unanticipated barriers (e.g., budget restrictions, rule changes, circumstances outside CNS control), degree of difficulty, significant accomplishments, and other events that may occur during the performance period. A significant safety or security event may result in an overall limitation to adjectival ratings. Such impacts may be balanced by the response to the incident, and by other initiatives to improve overall safety or security performance. The contractor is encouraged to note significant safety and security continuous improvements.

PERFORMANCE RATING PROCESS

At the end of each of the first three quarters, DOE/NNSA will evaluate performance and provide feedback to CNS highlighting successes and/or needed improvement. At the end of the year, an overall performance rating will be assigned for each PO using the table in Federal Acquisition Regulation Subpart 16.401(e)(3) yielding scores of Excellent, Very Good, Good, Satisfactory or Unsatisfactory. In general, performance objectives and contributing factors are written to reflect an overall adjectival performance level of **Good**. DOE/NNSA will consider the CNS end of year self-assessment report in preparing the Performance Evaluation Report (PER) for the Fee Determining Official (FDO). The PER transmits the final recommendations on performance ratings and award fee earned for the award fee period of performance. The unilateral decision of the total award fee earned will be made by the FDO.

PEP CHANGE CONTROL

It is essential that a baseline of performance expectations be established at the beginning of the performance period to equitably measure performance, and that changes to that baseline are carefully managed. Any change to the PEP requires concurrence by the appropriate program office, the NNSA Senior Procurement Executive, and the NNSA corporate PEP manager prior to the Field Office Manager and Contracting Officer signatures. While recognizing the unilateral rights of DOE/NNSA as expressed in contract *Section B-7, Performance Evaluation Plan (PEP),* bilateral changes are the preferred method of change whenever possible.

FINAL DECISION

CNS can request a face-to-face meeting with the FDO to highlight their strategic performance. This meeting should occur in early October.

TOTAL AVAILABLE AWARD FEE ALLOCATION

Performance Category	Performance Objective	% At-Risk Fee Allocation
Programs (NA-10)	**PO-1:** Manage the Nuclear Weapons Mission	35%
Programs (NA-20, NA-40, NA-80)	**PO-2:** Reduce Global Nuclear Security Threats Mission	10%
Programs (FOM)	**PO-3:** DOE and Strategic Partnership Project Mission Objectives	5%
Operations & Mission Execution (FOM)	**PO-4:** Science, Technology, and Engineering (ST&E)	5%
Operations & Mission Execution (FOM)	**PO-5:** Operations and Infrastructure	35%
Operations & Mission Execution (FOM)	**PO-6:** Leadership	10%

UNEARNED FEE

DOE/NNSA reserves the right to withdraw and redistribute DOE/NNSA unearned fees.

INNOVATIVE SOLUTIONS

CNS will recommend innovative, science-based, systems-engineering solutions to the most challenging problems that face the nation and the globe. CNS will also provide evidence to support programmatic needs and operational goals tempered by risk. DOE/NNSA will take into consideration all major functions including safety and security contributing to mission success. In addition, CNS is expected to recommend and implement innovative business and management improvement solutions that enhance efficiencies.

PO-1: Manage the Nuclear Weapons Mission – NA-10 (At-Risk Fee: 35%)

Successfully execute Nuclear Weapons mission work in a safe and secure manner accordance with DOE/NNSA Priorities, Program Control Document and Deliverables, and Program Implementation Plans. Integrate Pantex and Y-12 operations, while maintaining a DOE/NNSA enterprise-wide focus, to achieve greater impact on a focused set of strategic national security priorities. Provide defensible objective evidence.

Contributing Factors:

CF-1.1 Accomplish work as negotiated with program sponsors and partners, achieving the expected level of quality to ensure safe, secure, reliable weapon performance, transportation, and cost effective operations.

CF-1.2 Increase knowledge of the state of the stockpile, resulting from successful execution of the stockpile surveillance program and a robust scientific and engineering understanding for the delivery of the annual stockpile assessment.

CF-1.3 Execute stockpile work to deliver stockpile system maintenance, production, limited-life component exchanges, weapon containers and dismantlements.

CF-1.4 Demonstrate the application of new strategies, technologies, and scientific understanding to support stewardship of the existing stockpile and future stockpile needs.

CF-1.5 Sustain and strengthen unique science and engineering capabilities, facilities and essential skills to ensure current and future Nuclear Weapons mission requirements will be met.

CF 1.6 Execute product realization processes and activities in support of nuclear weapon life extension programs, modification and alterations in accordance with NNSA requirements and Nuclear Weapons Council guidance.

Site Specific Outcomes:

1.1 – Develop an effective and robust container/Packaging &Transportation program that meets mission needs at least cost. Demonstrate to NNSA that CNS has corrected the DPP-2 packaging structural modeling and analyses deficiencies to support packaging development as a design agency for the DPP-2

1.2 – Effectively implement the Federal Program Manager (FPM) defined Earned Value Management System and project controls tools on the W88 Alt 370 and B61-12 LEPs to execute the program and lower risks while providing detailed program status to FPM, including deployment of Management Reserve; and to implement an effective cost control process and develop opportunities for cost reduction

1.3 – Execute production readiness and production activities IAW the NNSA Integrated Master Schedule on the W88 Alt 370 and B61-12 LEPs while effectively utilizing project controls tools to meet scheduled deliverables

1.4 – Create and integrate the Uranium mission strategy and mission requirements document and optimize scope and performance of the contract to ensure long-term stewardship of the site and effective implementation of the UPF

PO-2: Reduce Global Nuclear Security Threats Mission – NA-20, NA-40, and NA-80 (At-Risk Fee: 10%)

Successfully execute authorized global nuclear security mission work in a safe and secure manner to include the Non-Proliferation, Emergency Operations and Counterterrorism missions. Integrate Pantex and Y-12 Operations, while maintaining an NNSA enterprise-wide focus, to achieve greater impact on a focused set of strategic national security priorities. Provide defensible objective evidence.

Contributing Factors:

CF-2.1 Support efforts to remove, eliminate and minimize the use of proliferation-sensitive materials.

CF-2.2 Support efforts to safeguard and secure materials, technologies, and facilities.

CF-2.3 Support efforts to detect and prevent the illicit trafficking of nuclear/radiological materials, technology, information and expertise.

CF-2.4 Provide R&D technology solutions for treaty monitoring, minimizing the use of proliferation-sensitive materials, and the application of safeguards and security.

CF-2.5 Provide unique technical/policy solutions and develop programs/strategies to reduce nuclear/radiological dangers.

CF-2.6 Demonstrate effective operations and implementation of policy for mission success in support of emergency management, incident response and nuclear forensics mission support capability.

CF-2.7 Sustain and improve nuclear counterterrorism and counterproliferation science, technology, and expertise.

Site Specific Outcomes:

2.1 – Successfully execute Pilot Line demonstration products for the UMo project supporting reactor conversions

2.2 – Fully support emergency incident response operations to include managing and maintaining readiness for deployable response teams, training and developing new and existing staff to become qualified responders, supporting implementation of new technologies and capabilities to support mission, supporting Headquarters in the development of new and existing emergency management policies and practices, and integrating the Headquarters Emergency Management Team and Emergency Operations Center in responses, including exercises

PO-3: DOE and Strategic Partnership Project Mission Objectives – FOM (At-Risk Fee: 5%)

Successfully execute high-impact work for DOE and Strategic Partnership Project Mission Objectives safely and securely. Provide objective evidence that demonstrates the value of the work in addressing the strategic national security needs of the U.S. Government.

Contributing Factors:

CF-3.1 Pursue and perform high impact work that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills.

CF-3.2 Pursue and perform high-impact Strategic Partnership Projects that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills in support of future national security mission requirements.

CF-3.3 Accomplish work within the budget profile, scope, cost, schedule, quality and risk negotiated with the program.

PO-4: Science, Technology, and Engineering (ST&E) – FOM (At-Risk Fee: 5%)

Successfully advance national security missions and advance the frontiers of ST&E in accordance with budget profile, scope, cost, schedule and risk while achieving the expected level of quality, safety and security. CNS will effectively manage the Plant Directed Research and Development (PDRD) and Technology Transfer programs to advance the frontiers of ST&E. Provide defensible objective evidence.

Contributing Factors:

CF-4.1 Implement a research strategy that is clear and aligns discretionary investments (e.g., PDRD) with the research strategy and support DOE/NNSA priorities.

CF-4.2 Ensure that research is relevant, enables the national security missions, and benefits DOE/NNSA and the nation.

CF-4.3 Ensure that research is transformative, innovative, leading edge, high quality, and advances the frontiers of science and engineering.

CF-4.4 Maintain a healthy and vibrant research environment that enhances technical workforce competencies and research capabilities.

CF-4.5 Perform research to accomplish the high priority, multi-year research objectives, advance ST&E, and develop technologies for the public good through technology transfer.

Site Specific Objective:

4.1 – Develop technology and transition plans to support Lithium and Uranium Strategies in support of customer expectations

PO-5: Operations and Infrastructure – FOM (At-Risk Fee: 35%)

Effectively and efficiently manage the safe and secure operations of Pantex and Y-12 while maintaining an NNSA enterprise-wide focus; demonstrate accountability for mission performance and management controls; assure mission commitments are met with high-quality products and services; and maintain excellence as a 21st century government-owned, contractor-operated facility.

Contributing Factors:

CF-5.1 Deliver effective, efficient, and responsive environment, safety and health (ES&H) management and processes.

CF-5.2 Accomplish capital projects in accordance with scope, cost, and schedule baselines.

CF-5.3 Deliver effective, efficient, and responsive safeguards and security.

CF-5.4 Maintain, operate and modernize the DOE/NNSA facilities, infrastructure, and equipment in an effective, energy efficient manner; including disposition of unneeded infrastructure and excess hazardous materials.

CF-5.5 Deliver efficient, effective and responsible business operations, systems and information technology.

CF-5.6 Deliver efficient and effective management of legal risk and incorporation of best legal practices.

CF-5.7 Deliver effective, efficient, and responsive cyber security.

Site Specific Outcomes:

5.1 – Aggressively and responsibly manage Y-12 and Pantex infrastructure to deliver on cost efficiency savings while minimizing operational, security and safety risks and increasing the viable use of facilities and equipment in the best interest of the NNSA

5.2 – CNS will set viable goals, develop criteria and demonstrate tangible improvements in the discipline of operations across the key functional areas of Operations, Security, Maintenance, and Engineering at the Pantex and Y-12 plants

5.3 – Implement programs that promote the safe execution of nuclear and nuclear explosive safety (NES) operations. Documented Safety Analyses (DSA) reports will be developed and reviewed against the criteria derived from the DSA Improvement Plan. Technical Safety Requirements will be clear and concise. At Pantex, the NES program will be executed to support mission deliverables and the NNSA NES Program. At Y-12, CNS will execute Nuclear Criticality Safety Improvement plan commitments; develop a plan and show demonstrable, measurable progress in downgrading nuclear facilities; and Area 5 de-inventory/Material at Risk reductions

5.4 – Implement Safety Culture Sustainment Plan that includes Quality of Life workplace improvements that takes advantage of reinvestment opportunities. Complete a baseline safety culture assessment of employees and revise the Sustainment Plan to address any new issues.

PO-6: Leadership - (At-Risk Fee: 10%)

Successfully demonstrate leadership in supporting the direction of the overall DOE/NNSA mission, improving safety culture, the responsiveness of the CNS leadership team to issues and opportunities for continuous improvement internally and across the Enterprise, and parent company involvement/commitment to the overall success of Pantex, Y-12 and the Enterprise.

Contributing Factors:

CF-6.1 Define and implement a realistic strategic vision for CNS, in alignment with the NNSA Strategic Plan, which demonstrates enterprise leadership and effective collaborations across the NNSA enterprise to ensure DOE/NNSA success.

CF-6.2 Promote a culture of critical self-assessment and transparency across all areas; instill a culture of accountability, responsibility, safety and performance through the entire organization; and coordinate/communicate these key issues and concerns to DOE/NNSA leadership.

CF-6.3 Demonstrate performance results through the institutional utilization of the Management Assurance System and the leveraging of parent company resources and expertise.

CF-6.4 Work selflessly within the DOE/NNSA complex to develop, integrate, and implement enterprise solutions that maximize program outputs at best value to the government; identify innovative business and management solutions that greatly improve enterprise-wide efficiencies.

CF-6.5 Exhibit professional excellence in performing roles/responsibilities while pursuing opportunities for continuous learning.

Site Specific Outcomes:

6.1 – Support a seamless, effective contract transition for the SRTO option, if exercised.

6.2 - Develop and implement a Nuclear Security Enterprise (NSE) integration strategy consistent with NNSA objectives

Fiscal Year 2014
DOE/NNSA Strategic Performance Evaluation Plan

FOR

MANAGEMENT AND OPERATION OF THE
PANTEX PLANT AND THE Y-12 NATIONAL SECURITY COMPLEX
Consolidated Nuclear Security, LLC

Contract Number: DE-NA0001942

Performance period: July 1, 2014 – September 30, 2014

[redacted] 6/30/2014
James R. Haynes Date
President and Chief Executive Officer
Consolidated Nuclear Security, LLC

[redacted] 6/29/14
Steven C. Erhart Date
Manager, NNSA Production Office
National Nuclear Security Administration

[redacted] 6.30.14
Richard A. Dunn Date
Director, Contracts
Consolidated Nuclear Security, LLC

[redacted] 6/26/2014
Seb Klein Date
Contracting Officer
NNSA Production Office
National Nuclear Security Administration

INTRODUCTION

The Pantex Plant and Y-12 National Security Complex (NSC) are facilities owned by the United States Department of Energy (DOE), herein referenced as "Plants." They are managed by Consolidated Nuclear Security, LLC (CNS). Pursuant to the terms and conditions of the Contract, this Performance Evaluation Plan (PEP) sets forth the criteria in which the Plants' performance will be evaluated and upon which the determination of the amount of award fee earned shall be based. The available award fee amounts for FY 2014 are specified in Section B of Contract No. DE-NA0001942. This PEP promotes a strategic Governance and Oversight framework based on prudent management of risk, accountability, transparency, and renewed trust. It has been written to implement the collective governance and oversight reform principles as expressed by the DOE/National Nuclear Security Administration (NNSA).

PERFORMANCE BASED APPROACH

The performance-based approach evaluates the Plants' performance through a set of performance objectives (PO). Each PO, and its associated Contributing Factors (CF) and Site Specific Outcomes (SSO) will be measured against authorized work and the respective outcomes, demonstrated performance, and impact to the DOE/NNSA mission. CFs and SSOs will be assessed in the aggregate to establish an adjectival performance rating for each Performance Objective. Notwithstanding the overall strategic framework, failure to achieve an individual SSO, the most important DOE/NNSA fiscal year objectives at the Plants, may limit the award-fee.

MISSION

The Pantex Plant mission supports managing the nation's nuclear stockpile by performing disassembly, inspection and rebuild of weapon evaluation cycle units, assembly of Joint Test Assemblies (JTAs) and JTA post mortem analysis, assembly and disassembly of test bed units, Limited Life Component Exchange, programmatic alterations (usually defined as Alts or Mods), weapon repairs, weapon and component radiography and non-destructive evaluation, High Explosive (HE) testing and explosive component evaluation, pit and non-nuclear evaluations, electrical and mechanical tests, and surveillance and evaluation testing in support of Quality Evaluation Reports. Additionally, Pantex supports several of the other NNSA missions identified, including nuclear non-proliferation, emergency response, continuing management reform, and recapitalizing NNSA infrastructure.

The Y-12 NSC supports national security programs through production of weapons components and parts; stockpile evaluation and maintenance; stockpile surveillance; dismantlement; and nuclear materials management, storage, and disposition. Its primary mission is the manufacturing of modern secondaries and processing and storage of highly enriched uranium.

MISSION PERFORMANCE

The Plants are accountable for and will be evaluated on successfully executing program work in accordance with applicable DOE/NNSA safety and security requirements consistent with the terms and conditions of the Contract. Protection of worker and public safety, the environment, and security are essential and implicit elements of successful mission performance. Accordingly, the model for this PEP is to rely on the Plants' leadership to use appropriate DOE contractual requirements and recognized industrial standards based on consideration of assurance systems, and the related measures, metrics, and evidence. **The Plants are expected to manage in a safe, secure,**

efficient, effective, results-driven manner, with appropriate risk management and transparency to the government, while taking appropriate measures to minimize costs that do not compromise core objectives and mission performance. Products are expected to be delivered on-schedule and within budget.

CONSIDERATION OF CONTEXT IN PERFORMANCE EVALUATION

The evaluation of performance will consider "context" such as unanticipated barriers (e.g., budget restrictions, rule changes, circumstances outside Plants' control), degree of difficulty, significant accomplishments, and other events that may occur during the performance period. Effective efforts by the Plants to quickly identify, self-report, and overcome or mitigate the impact of issues, barriers or other circumstances will also be a factor in evaluating performance. A significant safety or security event may result in an overall limitation to adjectival ratings.

PERFORMANCE RATING PROCESS

At the end of the evaluation period, an overall performance rating will be assigned for each PO using the table in Federal Acquisition Regulation Subpart 16.401(e)(3) yielding scores of Excellent, Very Good, Good, Satisfactory or Unsatisfactory. In general, performance objectives and contributing factors are written to reflect an overall adjectival performance level of **Good**. DOE/NNSA will consider the Plants' end of year self-assessment report in preparing the Performance Evaluation Report (PER) for the Fee Determining Official (FDO). The PER transmits the final recommendations on performance ratings and award fee earned for the award fee period of performance. The unilateral decision of the total award fee earned will be made by the FDO.

PEP CHANGE CONTROL

It is essential that a baseline of performance expectations be established at the beginning of the performance period to equitably measure performance, and that changes to that baseline are carefully managed. Any change to the PEP requires concurrence by the appropriate program office, NA-00 and the NNSA Senior Procurement Executive prior to the Field Office Manager and Contracting Officer signatures. While recognizing the unilateral rights of DOE/NNSA as expressed in Section B-7, Performance Evaluation Plan (PEP), bilateral changes are the preferred method of change whenever possible.

FINAL DECISION

Prior to a final decision by the FDO, the Plants' President and Chief Executive Officer will have a face-to-face opportunity to provide a final presentation in support of strategic performance determination and direction of the enterprise.

TOTAL AVAILABLE AWARD FEE ALLOCATION

Performance Category	Performance Objective	% At-Risk Fee Allocation
Programs (NA-10 & FOM)	**PO-1:** Manage the Nuclear Weapons Mission	25%
Programs (NA-2 & FOM)	**PO-2:** Broader National Security Mission	12.5%
Programs (NA1.1 & FOM)	**PO-3:** Science, Technology, and Engineering and Other DOE Mission Objectives	12.5%
Operations & Mission Execution (NA-3 & FOM)	**PO-4:** Operations & Infrastructure	25%
Operations & Mission Execution (NA-1 & FOM)	**PO-5:** Leadership	25%

UNEARNED FEE

DOE/NNSA reserves the right to withdraw and redistribute DOE/NNSA unearned fees.

INNOVATIVE SOLUTIONS

The Plants will recommend innovative, science-based, systems-engineering solutions to the most challenging problems that face the nation and the globe. The Plants will also provide evidence to support programmatic needs and operational goals tempered by risk. DOE/NNSA will take into consideration all major functions contributing to mission success. In addition, the Plants are expected to recommend and implement innovative business and management improvement solutions that enhance efficiencies.

PO-1: Manage the Nuclear Weapons Mission – NA-10 & FOM - (At-Risk Fee: 25%)
Successfully execute Nuclear Weapons mission work in accordance with DOE/NNSA Priorities, Program Control Document and Deliverables, and Program Implementation Plans. Integrate across the Plants, while maintaining a DOE/NNSA enterprise-wide focus, to achieve greater impact on a focused set of strategic national security priorities. Provide defensible objective evidence.

Contributing Factors:

- CF-1.1 Accomplish work as negotiated with program sponsors and partners, achieving the expected level of quality to ensure safe, secure, reliable weapon performance, transportation, and cost effective operations.
- CF-1.2 Increase knowledge of the state of the stockpile, resulting from successful execution of the stockpile surveillance program and a robust scientific and engineering understanding for the delivery of the annual stockpile assessment.
- CF-1.3 Execute deliveries for the stockpile work to meet limited-life component exchanges, and dismantlements.
- CF-1.4 Demonstrate the application of new strategies, technologies, and scientific understanding to support stewardship of the existing stockpile and future stockpile needs.
- CF-1.5 Sustain and strengthen unique science and engineering capabilities, facilities and essential skills to ensure current and future Nuclear Weapons mission requirements will be met.
- CF-1.6 Execute W78/88-1 phase 6.2 activities, B61-12 phase 6.3 activities, and W88 ALT 370 phase 6.3 activities in accordance with the NNSA approved schedules.

Site Specific Outcomes:

- 1.1 Manage Material Recycle and Recovery, and Storage within Nuclear Programs in accordance with the Site Execution Plan (to include Level 2 milestones).
- 1.2 Implement site resource loaded schedules and an earned value measurement system. Establish a site performance management baseline and submit monthly project and earned value reporting consistent with NA-191 program management requirements.
- 1.3 Execute B61-12 development activities in accordance with baseline schedule to meet joint Air Force and NNSA B61-12 deliverables.
- 1.4 Demonstrate Earned Value Management System (EVMS) is implemented consistent with the W88 ALT 370 Project Control Systems Description and Implementation Schedule.
- 1.5 Support W76-1 production objectives, including delivery of funded Production Control Document requirements.
- 1.6 Conduct a follow-on Pantex Throughput Improvement Plan focused on improving War Reserve weapon throughput while expeditiously handling anomalous units and integrating infrastructure projects.

PO-2: Broader National Security Mission – NA-2 & FOM - (At-Risk Fee: 12.5%)
Successfully execute authorized broader national security mission work to include the Non-Proliferation, Emergency Operations and Counterterrorism missions as well as high-impact interagency work. Integrate across the Plants, while maintaining an NNSA enterprise-wide focus, to achieve greater impact on a focused set of strategic national security priorities. Provide defensible objective evidence.

Contributing Factors:

- CF-2.1 Support efforts to remove, eliminate and minimize the use of proliferation-sensitive materials.
- CF-2.2 Support efforts to safeguard and secure materials, technologies, and facilities.
- CF-2.3 Support efforts to detect and prevent the illicit trafficking of nuclear/radiological materials, technology, information and expertise.
- CF-2.4 Provide R&D technology solutions for treaty monitoring, minimizing the use of proliferation-sensitive materials, and the application of safeguards and security.
- CF-2.5 Provide unique technical/policy solutions and develop programs/strategies to reduce nuclear/radiological dangers.
- CF-2.6 Demonstrate effective operations and implementation of policy for mission success in support of emergency management, incident response and nuclear forensics mission support capability.
- CF-2.7 Sustain and improve nuclear counterterrorism and counterproliferation science, technology, and expertise.
- CF-2.8 Pursue and perform high-impact interagency work that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills in support of future national security mission requirements.
- CF-2.9 Accomplish work within the budget profile, scope, cost, schedule, quality and risk negotiated with the program sponsors or partners.

Site Specific Outcome:

- 2.1 Successfully execute pilot line demonstration products for the LEUMo project supporting reactor conversions.

PO-3: Science, Technology, and Engineering (ST&E) and Other DOE Mission Objectives – NA-1.1 & FOM - (At-Risk Fee: 12.5%)

Successfully advance national security missions and advance the frontiers of ST&E in accordance with budget profile, scope, cost, schedule and risk while achieving the expected level of quality. Execute other DOE Mission Objectives for programs such as Environmental Management in accordance with the budget profile, scope, cost, and schedule. Effectively manage Plant Directed Research and Development Programs (PDRD) to advance the frontiers of ST&E. Provide defensible ojective evidence.

Contributing Factors:

- CF-3.1 Implement a research strategy that is clear and aligns discretionary investments (e.g., PDRD) with the research strategy and support DOE/NNSA priorities.
- CF-3.2 Ensure that research is relevant, enables the national security missions, and benefits DOE/NNSA and the nation.
- CF-3.3 Ensure that research is transformative, innovative, leading edge, high quality, and advances the frontiers of science and engineering.
- CF-3.4 Maintain a healthy and vibrant research environment that enhances technical workforce competencies and research capabilities.
- CF-3.5 Perform research to accomplish the high priority, multi-year research objectives, advance ST&E, and develop technologies for the public good through technology transfer.
- CF-3.6 Pursue and perform high impact work that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills in support of future national security mission requirements.
- CF-3.7 Accomplish work within the budget profile, scope, cost, schedule, risk, and quality negotiated with the program sponsors or partners.

PO-4: Operations & Infrastructure – NA-3 & FOM - (At-Risk Fee: 25%)

Effectively and efficiently manage the safe & secure operations of the Plants while maintaining an NNSA enterprise-wide focus; demonstrate accountability for mission performance and management controls; assure mission commitments are met with high-quality products and services; and maintain excellence as a 21st century government-owned, contractor-operated facility.

Contributing Factors:

- CF-4.1 Deliver effective, efficient, and responsive environment, safety and health (ES&H) management and processes.
- CF-4.2 Accomplish capital projects in accordance with scope, cost, and schedule baselines.
- CF-4.3 Deliver effective, efficient, and responsive physical, information and cyber security management and processes.
- CF-4.4 Maintain, operate and modernize the DOE/NNSA facilities, infrastructure, and equipment in an effective, energy efficient manner; including disposition of unneeded infrastructure and excess hazardous materials.
- CF-4.5 Deliver efficient, effective and responsible business operations and systems.
- CF-4.6 Deliver efficient and effective management of legal risk and incorporation of best legal practices.

Site Specific Outcomes:

- 4.1 Execute FY14 General Workplace Improvements (Quality of Life).
- 4.2 Successfully execute the nuclear safety, criticality safety, safety system engineering, and other related engineering programs while demonstrating continuous improvement in quality, efficiency, and effectiveness.
- 4.3 Successfully execute the Nuclear Explosive Safety (NES) program and support the NNSA NES program in the fulfillment of its responsibilities.
- 4.4 Demonstrate and maintain an effective Emergency Management Program that fully integrates all emergency management elements with an increased emphasis on the conduct and formality of both planning and program execution.

PO-5: Leadership - NA-1 & FOM - (At-Risk Fee: 25%)

Successfully demonstrate leadership in supporting the direction of the overall DOE/NNSA mission, the responsiveness of the Plants' leadership team to issues and opportunities for continuous improvement internally and across the Enterprise, and parent company involvement/commitment to the overall success of the Plants and the Enterprise.

Contributing Factors:

CF-5.1 Define and implement a realistic strategic vision for the Plants, in alignment with the NNSA Strategic Plan, which demonstrates enterprise leadership and effective collaborations across the NNSA enterprise to ensure DOE/NNSA success.

CF-5.2 Promote a culture of critical self-assessment and transparency across all areas; instill a culture of accountability, responsibility, and performance through the entire organization; and coordinate/communicate these key issues and concerns to DOE/NNSA leadership.

CF-5.3 Demonstrate performance results through the institutional utilization of the Management Assurance System and the leveraging of parent company resources and expertise.

CF-5.4 Work selflessly within the DOE/NNSA complex to develop, integrate, and implement enterprise solutions that maximize program outputs at best value to the government; identify innovative business and management solutions that greatly improve enterprise-wide efficiencies.

CF-5.5 Exhibit professional excellence in performing roles/responsibilities while pursuing opportunities for continuous learning.

B-2

PEFORMANCE EVALUATION PLAN FOR UPF PROJECT MANAGEMENT

CLIN 0002

[Note: To be inserted by the Contracting Officer after the Cost Model and UPF Baseline are approved.]